

**Testimony of Commissioner Steven Banks, New York City Human Resources Administration**

**Oversight Hearing Addressing the Homelessness Crisis, at the New York City Council's Committee on  
General Welfare – December 9, 2015**

Good morning. I would like to thank Chairperson Levin and the members of the General Welfare Committee for giving us this opportunity to testify today.

My name is Steven Banks and I am the Commissioner of the New York City Human Resources Administration (HRA).

HRA's work in prevention occurs every day in all five boroughs. We are focused on providing supports to those who are working, but whose income is not enough to support a family; providing temporary assistance and training to those seeking to find work; and providing a safety net for those who are unable to work.

As illustrated by the experiences of our clients, it is well documented and well known that the cost of living has steadily increased yet wages are stagnant. Those households that depend on the earnings of low-wage workers can quickly be derailed by unforeseen emergencies and expenses, facing eviction and homelessness as a result. This is especially salient for households that depend on the income of minimum wage workers. For them, these unforeseen emergencies can mean the loss of their home and all of the associated collateral damage.

Moreover, 54 percent of renter households in New York City pay at least 30 percent of their income on housing costs and more than 33 percent of renter households spend 50 percent or more of their income on housing. According to an analysis by Comptroller Scott Stringer, from 2002 to 2012, median apartment rents in New York City rose by 75 percent, compared to 44 percent in the rest of the U.S. and by the end of that period the City had 400,000 fewer apartments renting for \$1,000 or less.

As those figures make clear, affordability, stable housing and the associated homelessness are a serious problem but one that was not created overnight and therefore this is not a problem that will be solved overnight. Today's housing environment is one that has been shifting for some time and to resolve this crisis will require a sustained commitment over time. This Administration is addressing this challenge head on, implementing both short- and long-term measures, including working to help more New Yorkers earn a living wage, assisting families and individuals in averting the human and social costs of homelessness and working to create and preserve 200,000 units of affordable housing.

Both the immediate and long-term responses to homelessness are critical as the Administration works to provide every New Yorkers with safe, affordable places to live and access to benefits and services that can help avert homelessness and shelter entry in the event of hard times.

HRA has always provided some homelessness prevention services. But understanding from day one that homelessness had become a more serious problem during the years before the change in Administrations, we consolidated all of the HRA homelessness prevention programs into a single unit, the Homeless Prevention Administration, and then expanded it substantially. In addition, since our first year in office, we restored rental assistance programs, which are essential to preventing and alleviating homelessness, and considerably expanded anti-eviction and anti-harassment legal services, which help to both keep families in their homes and preserve affordable housing.

I also want to take this opportunity to highlight three recent announcements all aimed at meeting the long-term, permanent affordable housing needs for New Yorkers.

- In October, this Administration announced an expansion to the Domestic Violence shelter system for the first time in five years in response to increasing need. In both emergency and transitional shelter, survivors receive support services, including counseling, preparation for permanent housing, assistance in locating adequate housing, child care services, help applying for benefits such as public assistance, and access to job readiness and placement programs. These specialized shelters provide survivors with the services that will help them safely return to the community and independence as soon as possible.
- Recognizing the proven track record of supportive housing over three decades, this Administration announced a historic expansion to create 15,000 units which combine permanent, affordable housing with supportive services, including both mental and physical healthcare access, alcohol and substance use programs, and other social services.
- And just last week, to mark World AIDS Day, we announced a \$23 million commitment by the Mayor in partnership with the City Council to prevention and treatment and a commitment to work with our state and Council partners to implement HASA for All to give HRA the resources and support it needs to extend HASA's life-saving benefits to an additional 7,300 New Yorkers with HIV, whether they are symptomatic or not.

These initiatives are clear examples of investing in successful programs that address some of the complicated circumstances driving homelessness in our city.

### **Results to Date**

And while it is early, our programs are producing clear results.

Clients routinely report that the prevention services are invaluable, help keep them in their homes, and help level the playing field against unscrupulous landlords. For example, the Legal Aid Society recently helped preserve the home of a senior with a disability. The tenant qualified for SCRIE, however the landlord did not account for the benefit correctly, and undercharged the tenant for over a year. When the landlord realized his mistake, he billed the tenant for over \$12,000. The tenant would eventually exhaust her savings trying to pay the rent and the unexpected \$12,000 bill. The landlord then sued her in Housing Court. The Legal Aid Society took on this case and represented the client in court. The court granted Legal Aid's motion for summary judgment and dismissed the landlord's eviction proceeding. Based on equitable considerations, the court found that the landlord should not be able to evict the

tenant based on claims for rent due more than four months before the case was brought. The tenant paid her rent for the four months prior to the case being initiated, and the eviction case was dismissed.

It took a long time to reach this level of homelessness and it will take time to reduce it. But the very real successes from our investments and programs are clear. In fact, our rental assistance programs and other permanent housing efforts have moved 22,214 children and adults in 7,567 households out of shelter since they were implemented just over a year ago.

So far, 16,745 New Yorkers have received eviction prevention legal assistance – including working household heads, and, as noted earlier, this will increase to almost 33,000 households a year, including well over 113,000 people next year.

We have also helped more people with emergency rent assistance, keeping thousands of New Yorkers in their homes. In FY13, HRA provided rent arrears to 42,000 households at a cost of \$124 million. In FY15, HRA provided rent arrears to nearly 53,000 households at a cost of \$180 million. The average cost per case is \$3,400, well below the cost of shelter. The increase in spending of 46 percent was due to 11,000 more households being found eligible and to rising rents. As rent levels have increased, the average emergency grant was 15% higher.

These programs are cost-effective and generate savings in averted shelter costs. In FY15, a legal services case averages about \$2,000, compared to \$37,000 a year for shelter. Investing in legal services gives us a powerful tool to address the deep-rooted and complex challenges that low-income New Yorkers face and allows the City to advance its efforts to provide access to justice in civil legal matters.

Today, we are here to discuss this Administration's efforts to prevent and alleviate homelessness and address income inequality. I will report briefly on HRA's new homelessness prevention capability and the role HRA plays in homelessness prevention and rental assistance. I will describe our new rental assistance and anti-eviction and anti-harassment legal services programs and how we have substantially expanded the City's services in these areas and made considerable investments in preventive efforts to avert homelessness. And last, how we can work with our state partners to ensure success.

### **Homelessness Prevention Programs**

The creation of HRA's **Homelessness Prevention Administration** is a significant expansion of HRA's prevention services. It includes the following units:

The citywide **Homelessness Diversion Program** has specialized Homelessness Diversion Units (HDUs) located in 40 Job Centers and in the Department of Homeless Services' intake facilities in the Bronx and Manhattan, through which families and individuals facing homelessness seek and obtain shelter. The Homelessness Diversion Units constitute an innovative, focused effort at maintaining permanent housing for families and individuals at risk of eviction, both to avoid their entry into the City's emergency shelter system and to enable them to maintain stable housing in their communities.

Under the de Blasio Administration, the **Diversion Units** at PATH and the other DHS shelter intake facilities have now begun taking public assistance applications from families and individuals referred by

DHS. This process is expediting public assistance benefits for these clients and helps families and individuals avert shelter entry.

The **Early Intervention Outreach Team (EIOT)** receives early warning referrals from New York City Marshals, Housing Court judges, and the New York City Housing Authority (NYCHA) as well as HRA's Family Independence Administration (FIA) and Adult Protective Services (APS) programs. EIOT clients also include NYCHA residents with a prior shelter history who have arrears as well as Section 8 recipients and Veterans Affairs Supportive Housing (VASH) clients who need help with current rent payments. All EIOT clients are in arrears, facing eviction in Housing Court or both. EIOT conducts individualized assessments and makes appropriate referrals. In many cases, the referrals are to HRA Job Centers for rent arrears or other eviction prevention assistance, such as allowances to share housing and apartment search expenses. Referrals are also made to Homebase and legal services providers, as appropriate. EIOT was created in December 2014, and, to date, EIOT has reached out to 20,068 clients.

The **Neighborhood Homelessness Prevention Outreach (NHPO)** is currently piloting an outreach initiative to prevent homelessness among certain eligible families receiving Cash Assistance (CA) in selected Bronx and Brooklyn zip codes from which many families apply for shelter. Clients are assessed and once their needs are determined they are directed to their local Job Center for benefits assistance. Referrals are also made to Homebase and legal services providers, as needed. Since June 30, 2015, this program has reached out to 620 "at-risk" families.

These units are critical as they all work to keep families and individuals housed and out of shelter. With these intervention and prevention approaches we are better able to identify and connect families and individuals to programs and services. This might be an application for SNAP benefits or a referral to Adult Protective Services. Working closely in communities and with diversion units we are able to be proactive in our approaches.

Additionally, the **Rental Assistance Unit (RAU)** resolves tens of thousands of emergency rental assistance requests every year with HRA staff located in each of the seven Housing Courts in all five boroughs. For example, a vulnerable family may have fallen behind on rent because of a medical emergency or other short-term financial problem. Because that family may be able to demonstrate the ability to pay in the future through employment, third-party assistance, a roommate or other help, rather than pay the substantial costs of emergency shelter after an eviction and potentially lose an affordable housing unit, it makes far more sense to pay the arrears in order to preserve permanent housing and avoid the trauma of homelessness.

Additionally, under the de Blasio Administration, HRA Rental Assistance staff members are now stationed at DHS Homebase offices to directly assist families and help keep them out of shelter, and at the NYCHA administrative hearing offices at 250 Broadway in Manhattan, which allows them to intervene early and help prevent evictions from NYCHA.

Landlords are essential partners in preventing homelessness. The **Landlord Ombudsman Service Unit (LOSU)** addresses pressing needs and concerns of landlords and management companies that provide permanent housing for families and individuals in receipt of public assistance. Intervening in and solving

these problems early and promptly can prevent eviction actions and protect the tenancies of HRA clients in affordable housing units. Additionally, the Central Rent Processing Unit centrally processes, issues and delivers Rental Assistance Unit-approved emergency rental assistance grants. This new process has resulted in overall faster and more efficient rent arrears check delivery. Often working with community advocates and other agencies, this has enhanced HRA's ability to prevent evictions and homelessness. LOSU resolved and or responded to 7,046 landlord inquiries between July 1, 2014 and December 2, 2015.

### **Rental Assistance Programs**

Starting in early 2014, and learning from the past, the de Blasio Administration promptly acknowledged the need for rental assistance programs to prevent homelessness and began working in earnest to address the need. Since then, understanding that homelessness has different causes for different families and individuals and requires particularized responses, we have implemented nine programs designed to target and meet the needs of those who are either homeless or at-risk of homelessness and have tailored eligibility as need determined.

The HRA Rental Assistance Program implements the Living in Communities (LINC), the City Family Eviction Prevention Supplement Program (CityFEPS), the Special Exit and Prevention Supplement Program (SEPS), and the HOME Tenant-Based Rental Assistance Program (HOME TBRA) rental assistance initiatives. HRA operates these programs in collaboration with DHS. The Rental Assistance Program manages the leasing and ongoing payments and administration of the rental assistance programs.

The **Living in Communities (LINC) Rental Assistance Programs** help move individuals and families out of shelter into stable housing.

- **LINC I** assists families in shelter who are working full-time, but are unable to afford stable housing on their own to relocate from the City shelter system.
- **LINC II** assists families in shelter and who have had multiple stays in shelter become securely housed in the community.
- **LINC III** provides rental assistance for families recently affected by domestic violence to relocate from the both the HRA and DHS shelter systems.
- **LINC IV** provides rental assistance to single adults in shelter age 60 or older and adult families in shelter including a senior or someone with a disability who are unable to afford stable housing on their own to relocate from the City Shelter System. LINC IV is also available to single adults and families at risk of entry to shelter.
- **LINC V** assists single adults and families in shelter who are working, but are unable to afford stable housing on their own, to relocate from the City shelter system. Like LINC IV, LINC V is also available to single adults and families who are at risk of entry to shelter.
- **LINC VI** assists families with children, adult families and single adults move out of shelters and reunify with host families consisting of friends or relatives.

The **CITYFEPS Programs** provide a rent supplement to a limited number of families with children on Public Assistance who are in shelter or at risk of entry to shelter. It consists of two programs: the City Family Eviction Prevention Supplement Program for, among others, families who have left or are being required to leave housing that is or was the subject of an eviction proceeding or a City vacate order, as well as survivors of domestic violence; and the City Family Exit Plan Supplement Program for families who are in a DHS shelter that has been identified for imminent closure.

The **Special Exit and Prevention Supplement (SEPS) Program** provides rental assistance to a limited number of single adults and adult families who are homeless or at risk of homelessness, including: survivors of domestic violence; veterans; those who have lost or are losing housing as a result of an eviction proceeding, a foreclosure proceeding, a City agency vacate order, or for health and safety reasons; and those who have been discharged to DHS shelter from foster care, a residential substance use treatment program or a correctional institution.

The **HOME Tenant-Based Rental Assistance (HOME TBRA) Program** is a federally funded program administered by HRA that provides rental assistance to a limited number of families in shelter, pregnant women in shelter, and chronically street homeless individuals who are in receipt of federal supplemental security income or social security benefits.

In recent months, the Administration has expanded the rental assistance programs effectuated by emergency rules to assist even more New Yorkers who are homeless or at risk of homelessness. LINC VI was originally designed for families with children; it has since been expanded to include single adults and adult families. Additionally, families receiving LINC VI rental assistance may now transfer to another LINC program (or CITYFEPS or SEPS) if they would qualify but for the fact that they are no longer in shelter. The programs available to families with children are now available to families consisting solely of a pregnant woman. This reform was put in place so that pregnant woman in shelter no longer have to wait to give birth to take advantage of the rental assistance programs designed for families with children. We have received over 2,000 applications for the 1,200 HOME TBRA slots available and eligible clients will be able to begin looking for apartments this month.

### **Legal Services**

The HRA Office of Civil Justice oversees the legal services programs from all of the various city agencies that the Mayor consolidated at HRA. In the context of preventing homelessness, the most important of these are the programs directed at protecting tenants.

Under the prior Administration, only about \$6 million was available for anti-eviction legal services, which was not nearly enough to level the playing field between landlords and tenants and thereby provide access to justice in Housing Court. Under the de Blasio Administration, by FY17 there will be \$62 million for legal services for tenants, which is ten times the prior investment, serving almost 33,000 households comprised of more than 113,000 adults and children each year.

This effort includes two programs:

- **Anti-Eviction Legal Services** when fully implemented during FY17 with \$25.8 million in annual funding will serve 19,000 households each year. This program is aimed at communities in which the highest numbers of children and adults are losing their homes and entering shelter.
- **The Anti-Harassment Tenant Protection Program** when fully implemented in FY17 with \$36 million in annual funding will serve more than 13,700 households each year. This program is aimed at preventing tenant harassment in communities that will be designated for rezoning and was announced by the Mayor in the 2015 State of the City.

### **Domestic Violence Services**

While DHS operates most of the City’s homeless shelters, HRA operates shelters for survivors of domestic violence. The HRA Domestic Violence shelter system is the largest in the country. And as I mentioned, earlier this year this Administration announced that HRA is expanding its shelters for survivors of domestic violence. We will be working with our providers to expand shelter space to accommodate a total of about 13,300 children and adults a year, nearly a 50 percent increase over the current 8,800 individuals served annually. To accomplish that goal, HRA is adding 700 Tier II transitional family units and emergency beds, almost as many as the 746 that were added from 2002 to 2010. As we have previously testified, it has been five years since the City added any domestic violence units.

### **HIV/AIDS Services Administration (HASA)**

Unfortunately, there is no cure for HIV and it remains a disease marked by poverty and continued stigma and discrimination. As such, HASA services are essential to ensuring that low-income New Yorkers with HIV obtain the benefits and services they need to remain healthy and live independent lives. Every day the comprehensive services provided by HASA are helping New Yorkers with clinically symptomatic HIV and AIDS to live a better quality of life and to live near-to-normal lifespans. Further, by working with our state and Council partners to implement HASA for All to ensure that clients are not choosing between healthcare and housing or food we are improving public health and decreasing transmission rates through continued attachment to the continuum of care.

As we testified before this Committee in October regarding Council Intro. No. 684 (also known as HASA for All), we agree with the Council that extending HASA benefits – including rental assistance and homelessness prevention efforts -- to all HIV positive individuals will have a similar positive outcome and moves us one step closer to the Governor’s goal of ending the epidemic by 2020 – and we appreciate the language in the bill providing for certification of available state funding.

### **Partnering for the future**

At HRA, we know that an ounce of prevention is worth a pound of cure and we are working to make sure that the tools of government that can prevent and alleviate homelessness are accessible and readily available to those who are in need.

We also know that investment in these preventative and restorative services is money well spent. As I just noted, the cost of legal services and rent arrears is much less than the cost of shelter. And that does

not include the many other costs that homelessness imposes on adults and children, including the loss of jobs, the loss of social supports that makes them more vulnerable to future crises, the disruption of medical care, and the disruption of education.

In order for HRA's programs to be successful in preventing and alleviating homelessness for families and individuals, it is essential that there is a sustained investment from both the City and State for today and years to come. Moreover, additional investment is needed in supportive housing, rental assistance, an increased public assistance shelter allowance and so much more, in order to prevent homelessness and keep children and adults in stable homes and to move children and adults from shelter to permanent housing.

Thank you for the opportunity to testify today. We have accomplished a great deal over the past 23 months, but we know that we have much more work to do and look forward to partnering with you during the coming year. I am happy to answer your questions.